L&M

Design Sense

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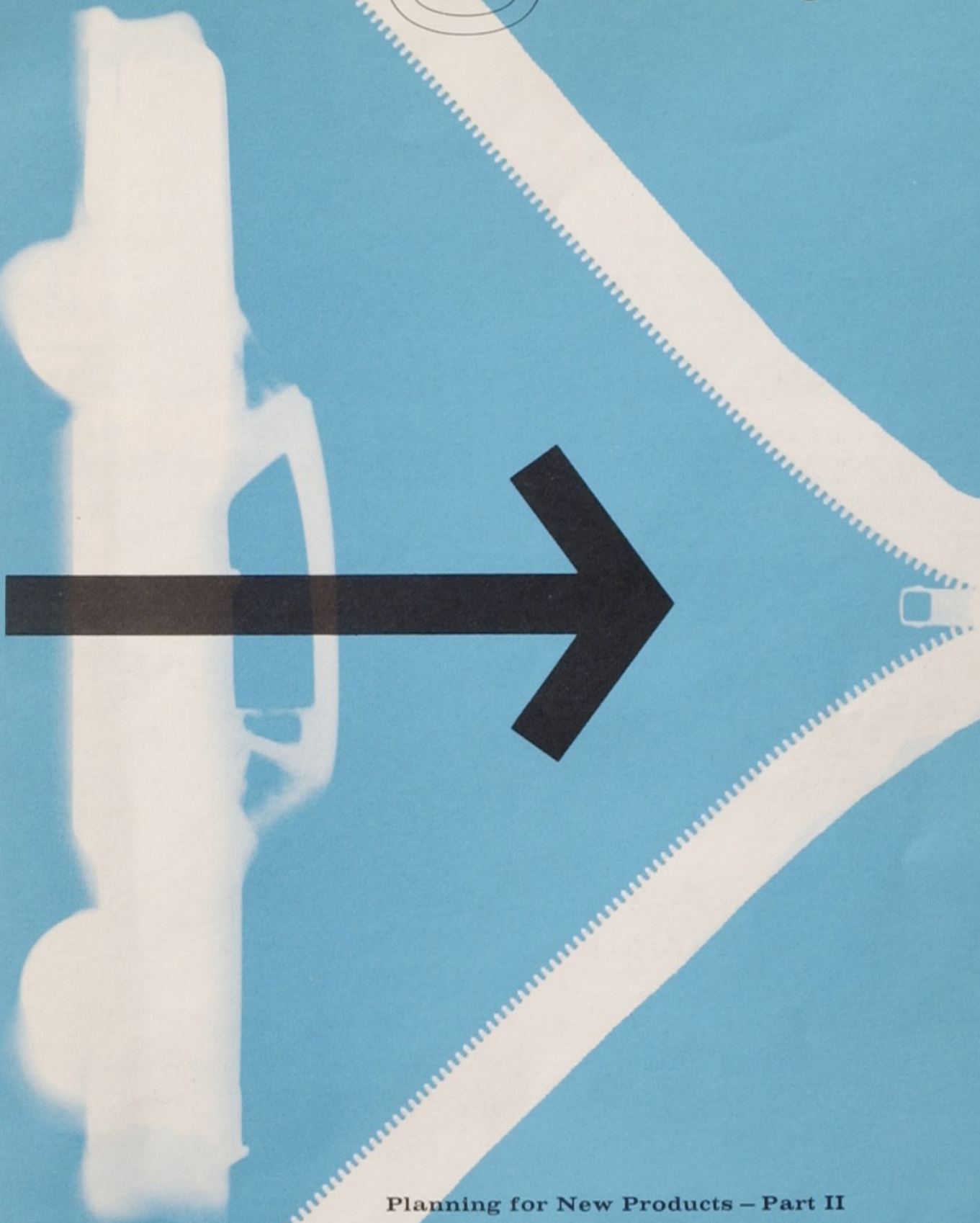


Planning for New Products – Part II

The Role of Design

A publication on Packaging, Product Styling, Store Planning and Merchandising

Lippincott and Margulies, Inc.
Industrial Designers, 430 Park Avenue
New York

"Automotive News" production report shows:

	Week ended Apr. 12	Week ended Apr. 5	Jan. 1 to Apr. 12
Chrysler	1,300	1,057	17,733
Imperial	400	306	5,343
De Soto	400	28	11,129
Dodge	3,000	443	28,769
Plymouth	8,500	7,930	116,406
Total Chrysler	13,600	9,764	179,380
Edsel	13	390	4,431
Ford	17,500	16,048	319,247
Lincoln	495	409	10,456
Mercury	3,915	—	38,918
Total Ford	21,923	16,847	373,052
Buick	4,744	773	86,720
Cadillac	3,200	3,215	44,788
Chevrolet	27,200	25,986	442,141
Oldsmobile	6,624	3,064	112,013
Pontiac	4,100	520	79,732
Total Gen. Mtrs.	45,868	33,558	765,394
Am. Mtrs (Rambler)	3,014	3,054	46,656
Packard	—	51	1,178
Studebaker	—	1,084	9,477
Total Cars, U. S.	84,405	64,358	1,375,137
Total trucks, U. S.	17,175	16,916	256,597
Total cars-trucks, U. S.	101,580	81,274	1,631,734
Total cars - trucks, Canada	8,850	6,664	112,563
Total units, U. S.			

L&M

What Happened?

Today's question for marketing men: did design make the difference in the case of the Edsel?

As designers we'll be blunt with our opinion: it did.

Here was a brand new car — a car firmly based on the Ford Motor Company's production genius and distribution experience — backed by a multi-million dollar ad campaign — launched amid the greatest public excitement since Fulton's steamboat. Yet eight months later, the weekly production figures out of Detroit show exactly thirteen cars off the line.

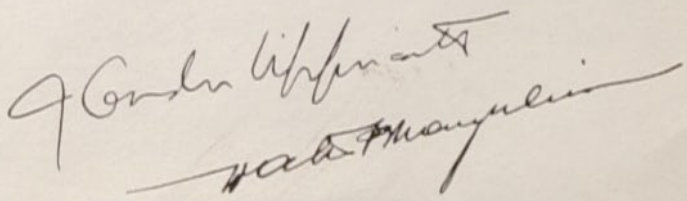
Clearly, something went wrong somewhere. But what?

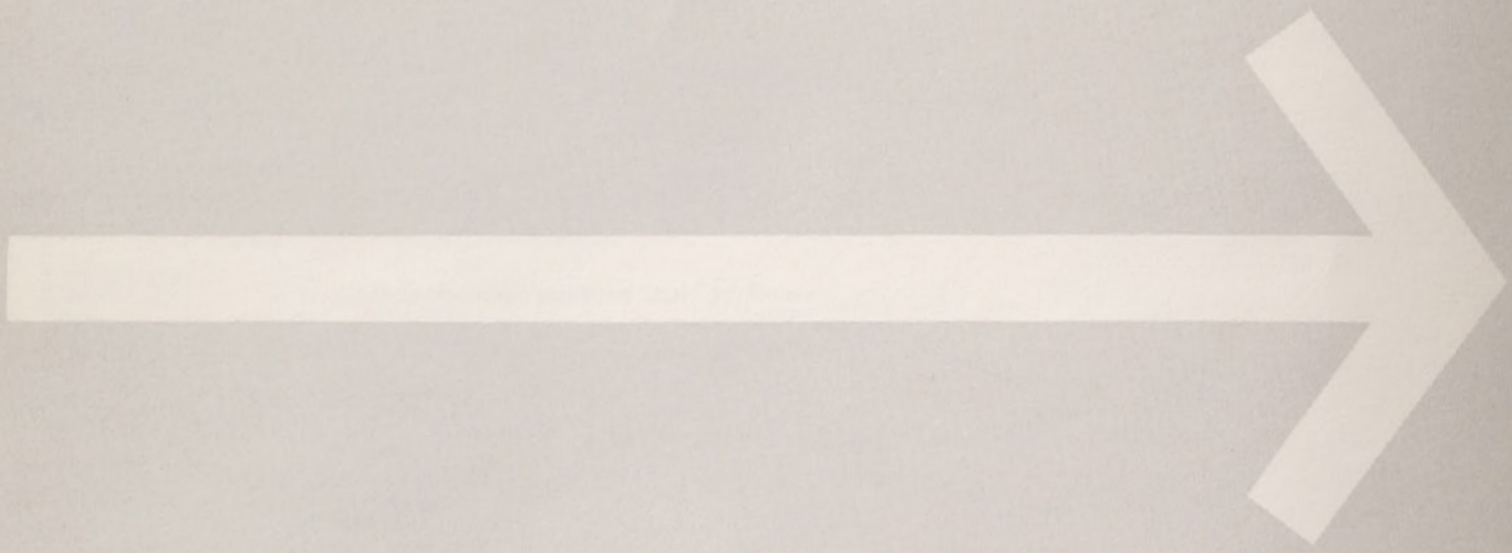
Don't put all the blame on the recession. Car sales are off, sure, but Rambler is bucking the trend with production a whopping 59% ahead of last year. Don't blame the car's performance. Those who have driven it say it's a real sweetheart on the road.

Put the blame where it belongs — on design for a new product that failed to fulfill the hopes and capture the imagination of the U.S. car-buying public. Instead of the car of the future here today, the Edsel turned out to be just more of the same — more chrome, more horsepower, more (but not necessarily better) gimmicks.

Admittedly the case of the Edsel is extreme. A brand new car is, after all, a once-in-a-decade item. We are pretty sure, too, that the Ford Motor Company, having seen the way the wind of public opinion blows, will be savvy enough to take the steps needed to give the U.S. public the car it was looking for in the first place.

But if the Edsel story seems destined to have a happy ending, it still points a moral for any manufacturer who launches a new product today: from Automobiles to Zippers, design *can* make the difference.





From Caveat Emptor to Caveat Detroit

Judging by the number of recent newspaper and magazine stories on the general subject of what's wrong with Detroit, this is the year to tee off on the auto industry. And Edsel — poor ill-timed, ill-conceived Edsel — seems destined to be everybody's whipping boy.

As designers we are acutely aware that design is important to the success of any product, new or old. We are also aware that the one design subject about which everyone has an opinion is cars. Mention design as expressed in sculpture or art to most people: no reaction. But mention the look of the new Ford, Buick or Dodge and you get an opinion faster than you can say "Futuramic Styling."

So it seems to us that the answer to "What's wrong with Detroit?" has meaning not just for cars, but for *all* designed, mass-produced products. The automobile is merely the common denominator. But as such it is an extremely sensitive barometer of public feeling about design. We believe, therefore, that the present slump in the auto industry is indicative of some very major changes in American life.

To examine this more closely, let's go back to the starting point: What *is* wrong with Detroit?

Sic Transit Auto

First, it seems to us (and to a good many other observers) that the automobile has ceased to be a "status symbol" for Americans. Instead of being judged by the make, model or horsepower of the car he drives, a man is more likely to be judged socially today by whether he has a swimming pool and/or boat, by whether he goes to Europe for his vacations, or—curiously—by whether he owns a foreign-made car, the more obscure and esoteric the make, the better. This is all the more true now that the U.S. auto industry has so upgraded its product that the truly "low-priced" car has ceased to exist.

Second, we feel that the goals originally established by General Motors have at long last run smack up a dead-end street. For twenty-five years — slowly at first, then with increasing tempo — GM's five-point plan was to make it lower, make it longer, make it more powerful, add gadgets, put on more chrome. Today the ultimate in each of these categories has been reached. Cars cannot be made longer or lower or have more chrome, horsepower and gadgets. Not and still be believable, that is.

In spite of the fact that it has become pointless to add more of these qualities,

Detroit automakers are irrevocably committed *now* to styling which expresses these qualities for next year and even the year after. Like an ocean liner under full steam, the industry cannot stop on a dime. Sheer inertia (measured in both industry size and industry thinking) will carry it relentlessly into a future of magnificently re-arranged chrome to meet a market fed up with re-arranged chrome — magnificent or otherwise.

In sum, until Detroit is able to re-orient its thinking and re-define its design targets, it and the industries dependent on it are likely to remain stalled at the bottom of the dead-end street into which they have driven.

Quo Vadis Quality?

Third thing wrong with Detroit — and, indeed, with all hard goods manufacturers — is a recent and very real loss of production quality control. Stories abound of new cars arriving at dealers with bolts loose or missing, gas tank seams unsoldered, electrical connections not tight, etc. So prevalent has this practice been that it has led to the Law of Second Year Purchase. This holds that the really smart car buyer is the man who shops the dealers, *not* for this year's model, but for a year-old trade-in, the theory being that the original buyer has had all the headaches — and has had them fixed — during his year of ownership.

Compounding the new car buyer's disillusion with the original quality of his $3,000 purchase is the fact that cars (and appliances, too) seem to have not only more maintenance problems, but more expensive ones. In part this is due to the increased complexity of the machines themselves and the gadgets which have been added to them. In part it is due to short-sighted engineering which, to take just one example, puts the oil filter on some new cars in an all but inaccessible location, thus turning a simple maintenance problem into a relatively costly one. To make matters worse, servicing is frequently in the hands of workers who do not really understand — or even care about — the complex mechanisms they are called on to repair. There is also considerable public suspicion that manufacturers encourage their dealers to sell at cost (if necessary) on the theory that they will make their real profit out of the servicing operation.

This problem of maintenance applies equally to household appliances. One dealer has told us that his washing machine customers today are asking more questions about the quality of his service operation than about the features of the machines he sells. We suspect this attitude probably holds for all mechanical equipment buyers.

Requiescat In Pace, Obsolescence

In a way, much of what's wrong with Detroit is equally wrong with all consumer hard goods industries: the industrialist has misused the industrial designer, and, to flip the coin, the industrial designer has allowed himself to be misused by industry.

In the early 1930's industry discovered that improving the appearances of a

product led to increased sales. This quickly suggested style obsolescence as a potent tool for sparking public interest in new products — which, in turn, led inevitably to the yearly model change. This reached the height of absurdity in the announcement of next year's model, not in January, but as early as September.

The trouble with style obsolescence is that it produced change for the sake of change — and eventually, to today's diet of warmed-over chrome with little or no believable improvement in function.

And now that we have reached a period when the consumer is faced with some very real functional needs — lowered first costs, for example, or a demonstrably better functioning product, or reduced maintenance costs — U.S. manufacturers, aided and abetted by U.S. designers have little better to offer than products whose design has reached the point of degeneracy.

No wonder then that the consumer refuses to heed President Eisenhower's admonition to "Buy!" He has a car, a TV set and enough appliances to keep him from discomfort (providing he can keep them all running). More important, there's nothing on the market that is *enough* better than what he's got to make him *want* to buy. Where once he could be enticed by the word "new," he has developed a sophistication conceived in disillusion and born in frustration. Today he looks beyond the trim, the gadgets and the hyphen-a-ted pseudo-scientific catchwords. And what he sees doesn't impress him.

Per Design ad Sales

We don't claim to have any pat formula for loosening the consumer's hold on his pursestrings. But we'd be willing to bet our T-squares that the consumer will start buying again when he knows he can get some, if not all of the following:

Products that are functional

For cars this means styling for comfort as well as for looks; engineering that represents usable horsepower and gas economy instead of wasted horsepower and low mileage; worthwhile driver and safety aids rather than gadgets for the sake of gadgetry.

For all products, it means design that says visually, but unmistakably to the consumer that this product will do what you, the customer, expect it to do — and do it better than anything else on the market.

Products that represent true technological advance

To date, no manufacturer has fully exploited the selling power of really dramatic design and functional change. The car of the future . . . the kitchen of tomorrow . . . the house of the '60s . . . are the hits of dozens of public shows and exhibits every year. The public stands in line to get its imagination stirred and its appetite whetted and then goes home to wait in vain for the dawn of this bright new tomorrow. Somehow, for the U.S. consumer, tomorrow never seems to come.

We predict that the first manufacturer to seize the opportunity represented by this overt display of public longing for things that are *really* new will find himself leading the field in a breathtakingly short time.

Products that are easy and inexpensive to maintain

This means design and engineering that places emphasis on ease of maintenance rather than just on glamor. It also means design that incorporates replacement as well as production economies. Break a compound-curved windshield on a 1958 Chrysler, and its replacement, not including labor, will run you or your insurance company $133.15. Five years ago the cost of a new windshield would have been $55.95. Eight years ago, $16.78. We submit that there is simply no design justification for this kind of extravagance.

In the field of household hard goods we wonder what the effect on sales would be if some manufacturer—of a washing machine, for example—had enough faith in his own product to offer a five-year, no-strings-attached guarantee covering parts *and* service. We suspect he would soon be selling at a pre-recession rate.

Products designed for longer service

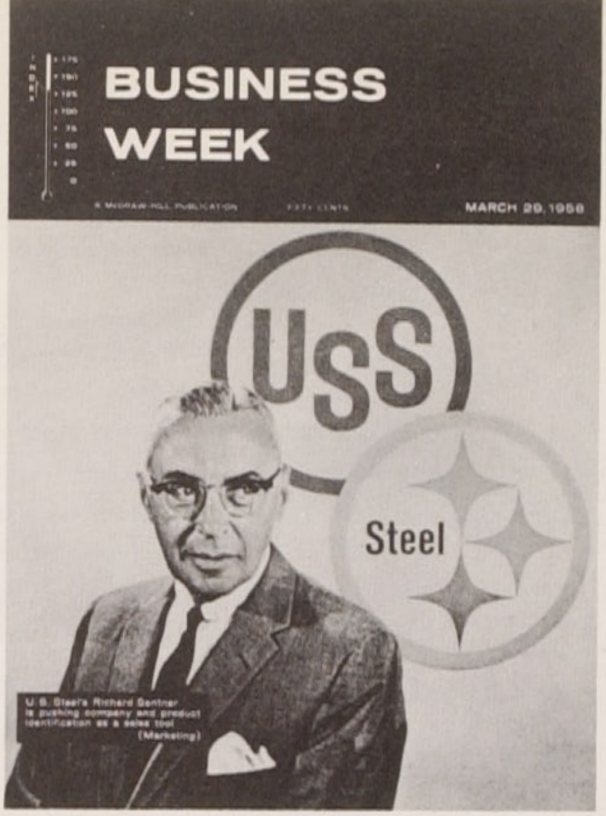
This means abandoning costly frills and putting the money into quality components and higher production standards. And it means taking advantage of new technologies that will give better service throughout a longer life. To take just one example, a major steel company has had available for some time — with no takers — a lead-coated steel, which, for *just 8¢ more* per auto muffler, would give a product that would last the life of the car. Instead, automakers are still installing mufflers that must be replaced on an average of once every two years at a cost to the consumer of $18.00 to $27.00 per muffler.

Products that represent good taste in design

Products that are truly functional, easy to maintain, long of life will demand design that is equally time-enduring. To us this means abandoning today's gaudy styling which loses its glamor only one notch slower than a streetwalker at dawning. It means a return to the classic tradition — to design that will remain in good taste for three, four, even five years to come.

The role of the independent industrial designer in new product planning is clear. On the one hand he must simultaneously represent the viewpoint of his client's production manager, ad manager, public relations manager and sales manager. On the other hand he must understand both the immediate needs and the long range desires of the consumer. His job is to satisfy all these varied interests on the drawing board and come up with product design solutions that make sense and mean sales.

If this sounds impossible, we can only say that we've seen it done by capable designers, not once, but many times for many manufacturers of many products.



Behind the New Look of U.S. Steel

The new U.S. Steel Corporation trademark and the striking new Steel Symbol seen on the cover of the March 29 issue of Business Week didn't "just happen" with one brilliant stroke of a designer's pen.

They were the product of two years of intensive work, including among other things, a mammoth survey of public attitudes by Alfred Politz' researchers . . . a three month tour of U.S. Steel's plants and offices by L&M designers . . . a review of thousands of pieces of printed matter put out by the various departments and divisions of the giant corporation.

The first and basic conclusion reached by L&M's design team (a conclusion which, incidentally, paralleled the findings of the Politz organization) was that U.S. Steel had a valuable equity in its existing trademark. It was, in fact, one of the three best known of some hundred trademarks tested. This finding dictated the boundaries of the design solution: no essential change; instead (1) modernization, and (2) the establishment of procedures for the consistent application of the new mark by the corporation and its divisions and subsidiaries.

This latter requirement proved the more important. Under the old system of trademark application, the "look" of U.S. Steel was ever-changing — at times brilliant, at times stuffy and old fashioned. The result was confusion in the public's mind and a badly blurred image of steel as a contemporary product.

Focus of U.S. Steel's new look is its new trademark. At first glance, it does not appear to be very different from the old. In fact, comparative testing by L&M's research affiliate, Package Research Institute, disclosed that consumers were not consciously aware of the shift from old to new. This is exactly what L&M was striving for — a mark that was new without *appearing* different — a mark that capitalized on the widespread public recognition enjoyed by the original.

Actually, the new mark *is* quite different. The letters are cleaner, sharper, more modern looking, more readable. The circle, now the same weight as the letters, imparts a basic unity to the whole. The result: a trademark of such classic simplicity that once seen it is not easily forgotten — a mark that acts as a true "brandmark."

Tied in with the mark is a new system of corporate "signatures" which will appear on all visual material from product tags to corporate advertising. Carefully worked out to meet the needs of every unit of the U.S. Steel family, the system establishes a standard format for identifying corporation, subsidiary and product, and puts into effect a uniform graphic procedure under which all divisions of U.S. Steel will use the same modern type face in their signatures. Most important, the new system establishes a firm policy under which the signature and trademark will be consistently applied.

The concluding assignment undertaken by L&M was the design of a symbol for steel to be applied via tags, decals and self-adhering labels to all products made of steel.

This three-part, star-like symbol was selected over hundreds of other devices tried and tested by L&M — circles, triangles, diamonds, pinwheels, abstractions by the score. Called a "steelmark," this new symbol suggests luminosity, modernity, brightness, airiness. In short it is the visual expression of U.S. Steel's new theme, "Lightens your work . . . brightens your leisure . . . widens your world."

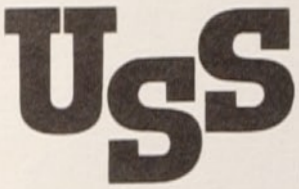
This new symbol is not a U.S. Steel trademark (although the circle which surrounds it recalls the circle of the corporate mark). It is intended for broader application on *all* products made of steel from whatever source. Appearing in the marketplace where consumer and corporation meet, it symbolizes the 20th Century face of the metal itself as well as the new look of U.S. Steel and its many products.

Possible before-and-after application of U.S. Steel's "new look" in advertising shows how previous advertisement (left) used the product name in the signature, thus leading a casual reader to assume that National Pipe, not National Tube Division, was the advertiser. Ad layout itself is traditional in feeling.

New standard format (right) clearly identifies the division and, in addition, clearly identifies National Pipe as a U.S. Steel product by linking it graphically with the new trademark. Asymetrical balance of layout gives a clean, "modern" look, further carries out the company's new Corporate Look.

1. For nearly a quarter of a century this had been the U.S. Steel trademark. Well-designed in its day, it had been widely used, had become widely known. The trouble was, it now lacked style, was old-fashioned in feeling, failed to carry out the "new look" of steel as a light, contemporary product.

This was L&M's starting point. Below are a few of the dozens of candidates considered en route to the new trademark.



2. This variation was strong and powerful, suggesting, in its bold letters with their exaggerated squared serifs, the strength of steel and the "heaviness" of the industry itself. A unique and memorable mark, certainly, but one which went counter to the look of "lightness" L&M's designers were striving to create.

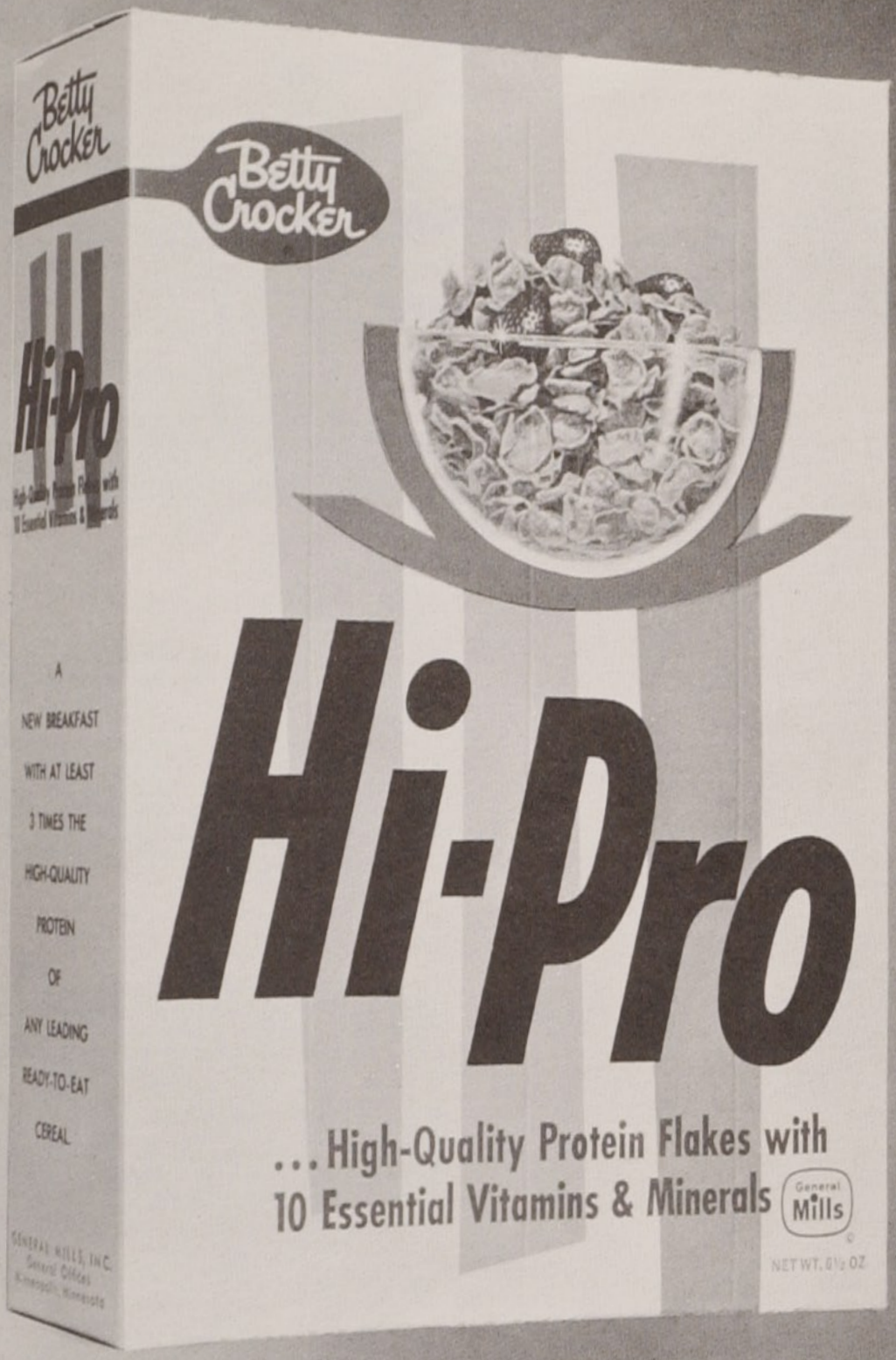
3. This variation took essentially the same letterforms as the first, but opened them up to give a "lighter," more airy appearance. This time, however, the middle "S" was raised to put all three letters on the same line. The result was a mark that would work well with copy or in an advertising layout. But this advantage was more than offset by the fact that lining up the letters immediately cancelled the equity which the company had in the widespread recognition the original mark enjoyed.

4. Here the designers went back to the dropped middle "S" in an "architectural" design constructed with bold, straight bars. These emphasized the spaces between the letters as much as the letters themselves, resulting in a mark which required considerable effort to recognize as "USS." Once recognized, however, this mark is one not easily forgotten. Rejected because of the poor immediate recognition enjoyed by the individual letters, and also on the grounds that this treatment was a little too contrived and tricky for a company of U.S. Steel's stature. It was also felt that this severe treatment resulted in a "look" that was too cold and austere.

5. This variation represents a return to the original idea of a circle — traditionally one of the best trademark forms to work with. Here the letterforms have been made more recognizable and more graceful resulting in a rhythmic, stately trademark. Its main defect lay in the repetition of the curving "S" forms which, while adding interest to the design, tended to merge and lose their recognizability as letters when the mark was viewed from a distance.

It was a natural step, however, from this mark to the final one below — a mark that retains the recognition equity of the original, but endows the letterforms with new grace, lightness and style.

United States Steel


Betty Crocker
Hi-Pro
A NEW BREAKFAST WITH AT LEAST 3 TIMES THE HIGH-QUALITY PROTEIN OF ANY LEADING READY-TO-EAT CEREAL
GENERAL MILLS, INC.
Betty Crocker
Hi-Pro
... High-Quality Protein Flakes with 10 Essential Vitamins & Minerals
General Mills
NET WT. 6½ OZ

℞ for New Product Success: Teamwork

It started with a pile of flakes on a conference room table. No package . . . no advertising . . . no marketing plans. Just flakes from the kitchens of General Mills — flakes that were a new breakfast food so high in protein content that its name was a natural: *Hi-Pro.*

Then came the assignment of areas of responsibility . . . To Lowry Crites, Product Manager for General Mills, the job of developing Hi-Pro's overall marketing strategy.

. . . To Gordon Johnson, Vice President of Dancer-Fitzgerald-Sample, Inc., the job of developing the advertising campaign.

. . . to Lippincott & Margulies, Inc., the job of designing the package in which this newest of General Mills' products would be sold.

Logical assignments, surely. But the kind of working arrangement which more often than not finds each group going its own way, independent of (and sometimes seemingly indifferent to) the work of the others. This time, however, the three groups worked together like a team from first exploratory meeting through more than two-dozen subsequent meetings. Because they worked together — because their planning began at the same time, developed at the same pace — package, ad campaign and marketing plans all were ready and set to go together, well in advance of the target date.

More important — the team members sparked each other throughout the months of working together. Advertising's ideas were incorporated in the package design. Package design motifs suggested advertising visuals and copy themes. Marketing strategy was developed to reinforce — and be reinforced by — advertising's plans and packaging's ideas.

Take just one example: a TV commercial.

It opens with the bold yet simple, memorable yet appropriate, package symbol . . . turns it into a bowl on a table . . . adds the package next to it . . . keeps both bowl and package in view throughout the whole 30 seconds to make sure both the symbol and the package are firmly implanted in the memory of the consumer.

The result: no doubts in her mind. She *knows* what to look for on the shelf when she gets beyond advertising's reach at her local store.

She *knows* because advertising has helped packaging do its job better. Because packaging has helped advertising do its job better. Because both have been integrated with the client's marketing plans from the very beginning.

Teamwork that started with a pile of flakes on a conference room table has made for more effective marketing, packaging and advertising — for more effective new product introduction.

why we spell
MONY
without the "E"

"MONY," our modern nickname, didn't just happen. It was created to meet a need. Time was when our corporate title had strong identity, because ours was the first mutual life insurance company in America to offer life insurance on the mutual principle to the general public.

But as the first hundred years rolled by, many other *mutual* life insurance companies sprang up and our natural nickname, "Mutual Life," began to lose individuality. This created confusion with our policyholders and the public. Obviously, something had to be done. The more we studied our full corporate name, the more evident it became that the words "Mutual Of New York" seemed to set us apart most clearly. A little doodling with our initials led us to "MONY" . . . as in cold cash.

MONY now provides us with a short and memorable brand name which is convenient for us, and for our more than one million policyholders as well. It also clearly describes our principal service . . . money for future delivery.

What's In A Name?

Case #1: **How to Insure Your Identity:**

A friend sent along the latest issue of MONY TOPICS, a sprightly-written little booklet put out periodically by Mutual of New York for its million policyholders. The back cover contained such a clear statement of the importance of a strong corporate identity that we are reproducing it in its entirety herewith. This is one company that knows its own best insurance lies in a memorable brand name. Other insurance companies — in fact, *any* company whose business depends on being remembered by the public — would do well to copy.

Case #2: **How to Lose Your Identity:**

The business page of a recent issue of the New York Herald Tribune reported, with a completely straight face, the following corporate merger:

"Textron, Inc. . . . has acquired the American Microphone division of the Elgin National Watch Company . . . The unit will operate as part of General Cement Manufacturing of Rockford, Ill., a Textron division."

We submit that any time that a company which makes microphones for a watch manufacturer is, first, purchased by a company still largely thought of as being in the textile field, and then operated as part of a cement producing subsidiary — then there is a strong likelihood that the customer will end up wondering who is making what and with what and for whom . . . to say nothing of where.

Moral for merging manufacturers: To avoid losing your identity (and your customers) make sure the parent company has a corporate "image" well enough defined and broad enough in scope to make the merger make sense.

Quote of the Month:

"If we look at the records of individual companies, we find that successful new product introduction is not randomly distributed. Some companies systematically succeed. Others just as regularly fail. And if we look further, we find that time after time, the companies which succeed are those which have solved the problems that exist in four key areas: ideas, facts, logic and communications.

"The first requirement of good product planning is the freedom to get and communicate good ideas. This, in turn, depends largely on the degree to which people expect and fear the hostile judgments of others. This 'fear factor' is considerably reduced, and idea production increased, by meetings — called by such names as 'brainstorming' and 'spark sessions' — in which judgment is postponed and every idea considered of equal value.

"Once the idea is obtained, facts can be gathered to determine the reactions of customers to it. The biggest problem here comes from accepting customers' answers as truth, when the fact is that expressed attitudes are frequently very different from subsequent market behavior. The truth is found by correct interpretation of facts — that is, through logic.

"The point is, of course, that facts *never* speak for themselves. They must be selected, interpreted and analyzed logically — and in relation to the problem at hand. Since we can never get all the facts, we must decide what facts are truly vital, and how best to obtain them. Frequently, this means implying relevant facts from what often seems irrevelant, peripheral material.

"Where most of the breakdowns occur, however, is in communicating to management. The tendency is to pass on that information which we suspect will be acceptable, and to bury or change that information which we suspect will be objectionable.

"If it is true that top management makes decisions based on work supervised by middle level personnel and done by lower status personnel, then corporate communications should follow a straight line — from lower through middle to top. Actually, what usually happens is that lower status personnel do transmit unpalatable information upward. The middle level person, however — and not *un*-realistically — very often equates the content of his report with the degree of its acceptability to management. As a result, truth frequently gets buried in the middle level of the communications chain. The middle man tends to become a 'Yes' man — to the ultimate disservice of both himself and his organization."

Dr. Myron Helfgott, President
Package Research Institute,
before the Annual Marketing
Conference of the American
Management Association

L&M

We are proud to number among our clients

ACF-Wrigley Stores, Inc.

Acme Visible Records, Inc.

American Seating Company

The American Tobacco Co.

Arnold Bakers, Inc.

Bavarian Brewing Co.

Burry Biscuit Corp.

Canadian Salt Co., Ltd.

Carebelli & Company

Chain Belt Company

Clairol Incorporated

Continental Baking Company

Dairy Queen National Development Co.

Dow Corning Corporation

Falstaff Brewing Corp.

General Mills, Inc.

Homelite

Imperial Tobacco Co. of Can., Ltd.

S. C. Johnson & Son, Inc.

Kirsch Company, Inc.

Kraft Foods Company

The Lavoris Company

Lewyt Corporation

McCormick & Company, Inc.

Pacquin, Inc.

Pitney-Bowes, Inc.

Schultz Products Co.

Seabrook Farms Co.

Seeman Brothers, Inc.

Stroehmann Bros. Co.

United States Steel Corp.